

AR13

Pennington's



1978
Annual Report

PENNINGTON'S STORES LIMITED

Financial Highlights

	February 3 1979 (53 weeks)	% Change	January 28 1978* (52 weeks)
Sales	\$33,037,255	+14.7	\$28,804,625
Net income after taxes (excluding AIB adjustments in 1978*)	3,283,974	+24.2	2,644,897
Earnings per share (excluding AIB adjustments in 1978*)	\$.80	+23.1	.65
Working capital	9,375,753	+24.1	7,556,794
Working capital ratio	4.24:1		2.87:1
Dividends	1,357,512	+46.1	929,079
Dividends per new common share	33.4¢	+45.9	22.9¢
Number of stores	87	+7.4	81

*Financial data for the 52 weeks ended January 28th, 1978, has been adjusted to eliminate the distortions caused by the accounting for excess revenue relating to the application of the Anti-Inflation Act. Adjusted sales for the year, were \$29,794,625, and earnings were \$3,156,897, or 78¢ per share.

Corporate Information

Board of Directors

Sol Armel
Donald Carr, Q.C.
William Drevnig
Albert Sherman
Jack Sherman
Mark Vansittart

Officers

William Drevnig — *President*
Albert Sherman — *Vice-President and Secretary*
Sol Armel — *Executive Vice-President*
Jack Sherman — *Vice-President*
Emanuel Asher — *Vice-President, Retail Operations*
William Farewell, C.A. — *Treasurer*

Transfer Agent & Registrar

The Canada Trust Company

Auditors

Laventhol & Horwath

Exchange Listing

The Toronto Stock Exchange
Ticker PNS

Head Office

PENNINGTON'S STORES LIMITED
40 Samor Road
Toronto, Ontario M6A 1J6
Telephone: (416) 787-4973

Annual Meeting Wednesday, June 27th, 1979, 11:30 A.M., Manitoba Room, Royal York Hotel, Toronto.

PENNINGTON'S STORES LIMITED

To the Shareholders



President's Report.

1978 marks the 10th year that Pennington's has been a public company. Total sales have increased from \$6.5 million in 1969 to slightly more than \$33 million last year, while net income during this period has risen from \$582,000 to \$3,284,000, a performance of which all shareholders can be justly proud. Last year was of particular significance in three areas:

- (i) in September we announced plans to develop a chain of shops under the name "Liz Porter" catering to the young contemporary woman,
- (ii) in October we reached an agreement to open our first store in the United States, and
- (iii) in November we announced a major capital reorganization of the company.

In November we opened our first "Liz Porter" store in Guildford Town Centre, Surrey, B.C. This merchandising concept will specialize in young, larger sizes and cater to the 25 to 40 age group in the middle to medium high price range. The merchandising mix will emphasize sportswear and ready to wear. The stores will range in size from 2,000 to 2,500 square feet and the interior design will incorporate chrome, mirrors and white decor in a young, trendy and boutique look. Two additional locations will open in August in the Eaton Centre, Metropolitan Toronto and in the Coquitlam Centre, Coquitlam, B.C. Future expansion could quite possibly continue to include a Pennington's store and Liz Porter boutique in the same centre.

In last year's annual report, we stated our intention to enter the U.S. market and indicated the possibility of starting our own operation. Our considerable research into this market has concluded successfully and I am pleased to report that Pennington's reached a milestone in its history on May 4th of this year with the opening of a 3,800 square foot store in Northbrook, Illinois, a suburb of Chicago, our first store in our United States expansion programme. The centre contains 130 independent and specialty stores and is anchored by some of the finest fashion department stores in the United States — Lord & Taylor, Neiman-Marcus, I. Magnin and Sears. A considerable percentage of the store's opening merchandise was Canadian made and we are encouraged to see that this merchandise has been very well received. Our plan is to develop groups of stores in regional market areas. In this regard we have engaged a retail and shopping centre consultant to assess United States market areas and make his recommendations.

Last November we announced a major capital reorganization of the company which was subsequently approved at a general meeting of the Shareholders on December 21st. The common shares were subdivided two for one and a new preference share was created on the basis of one share for four common shares held. As an integral part of the reorganization, substantially all of the existing paid-up capital of the common shares, in the amount of \$1,427,312 was transferred to the preference shares. The preference shares are entitled to receive a fixed cumulative dividend at the rate of 42.5 cents per annum, payable quarterly. There are presently 4,063,000 common shares and 507,875 preference shares outstanding. There were a number of reasons for the reorganization. Firstly, the stock split will hopefully improve the marketability of the common shares. Secondly, the preference shares will facilitate the Corporation in returning capital to the shareholders if it is thought desirable to do so in the future. In addition, by attributing substantially all of the paid-up capital of existing common shares to the preference shares, a certain portion of any capital returned may be returned on a tax-free basis. Thirdly, by fixing a preferential dividend rate on the preference shares, without any reduction in common share dividend the aggregate dividend distributions of the Corporation have been increased, enhancing the shares of the Corporation as an investment.

Commencing this year, the Federal Government has completed bilateral agreements with certain exporting countries which has resulted in quotas reverting to the country of origin. Clothing manufacturers in these countries are now required to apply to their Governments for quota allocations. We anticipate that the retail price of goods from the countries that have entered into agreements with the Canadian Government could possibly increase by as much as 50% in 1980. In anticipation of rising prices, we committed for almost 100% of our 1978 allotment of quotas of imported merchandise. This decision has placed us in a strong market position for our 1979 summer and fall programme. In view of our many years of experience in this market we expect to receive preferential treatment from our longer standing suppliers.

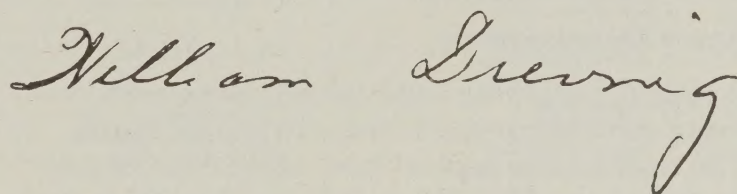
Outlook:

The growth rate in consumer spending in 1978 experienced a marginal improvement from the previous year, rising by 11.1%. This performance was aided in large measure by the elimination of the retail sales tax in the province of Quebec and the reduction in sales tax in other provinces for a period ranging from six to nine months during the year. As this stimulative measure has now terminated in most provinces, it is likely that consumer spending growth will moderate somewhat in 1979. We continue to be concerned about the high cost of living. The consumer price index for April indicates a year to year increase of 9.8% and while the rise in food prices moderated slightly from March, it is disconcerting to see a 1.1 percentage points increase in non-food prices. In our business, we significantly reduced our position in leather coats last season as we felt they were out of the price range of our customers. We have found it necessary to replace them with other merchandise. We find ourselves in a similar situation this year with fur trimmed coats and are replacing them with greater emphasis on untrimmed wool coats and jackets. At the present time, we anticipate a somewhat more moderate increase in sales in 1979 while operating results this year will include additional expenses associated with the start up of our U.S. operation. We view this expansion as a long term positive step for the company.

Appreciation:

On behalf of our Board of Directors and Senior Management, I take this opportunity to express our appreciation for the loyal support of our customers, employees and suppliers. This year's

results could not have been achieved without their dedication and co-operation.



William Drevnig
President

Executive Vice-President's Report.

Actual sales for the 53 weeks ended February 3rd, 1979 amounted to \$33,037,255 as compared with \$28,804,625 for the fiscal year ended January 28th, 1978. This represents an increase of 14.7%. Although this rate of growth was higher than in the previous year, it was somewhat below our expectations. We did, however, attain a new high in average sales volume of \$393,300 per store. We are continuing our efforts to increase the productivity of existing stores which includes training programmes aimed at further improving sales techniques and level of service, as well as the major refurbishment of ten existing locations. Net income for the year stood at \$3,282,974, an increase of 24.2% over the previous year exclusive of the net excess revenue adjustment. Earnings per new common share were \$0.80 as compared with \$0.65 in fiscal 1977. Total income per share in 1977 of \$0.78 included \$0.13 relating to excess net revenue. Your company was subject to the anti-inflation guidelines until October 28th, 1978. We have subsequently been advised by the Anti-Inflation Board that the company is in compliance with the Act and its Regulations.

Financial Position:

Pennington's financial position remains strong with working capital improving from \$7.6 to \$9.4 million, which includes \$5.4 million in cash and short term investments. Approximately \$2 million of this amount has been invested in short term U.S. securities in anticipation of our U.S. expansion. The current working capital ratio

increased from 2.87:1 to a healthy 4.24:1. We are pleased to report that we were able to achieve an improvement in inventory turnover ratio. Year end inventories increased marginally from \$6.0 to \$6.2 million partly due to 1979 imports received prior to December 31st, 1978, under the Federal Government's new quota allocation system.

Store Development:

A total of six stores were opened along with major refurbishments in two existing locations. The total capital expenditures on stores last year declined from \$855,752 in 1977 to \$609,482 in the current year. At the end of 1978, there were a total of 87 stores in the chain comprised of the following trade names each specializing in a different segment of the market:

- 80 — "Pennington's" stores
- 4 — "Pennington's Wearhouse"
- 2 — "Pennington's Bloor"
- 1 — "Liz Porter"

Capital expenditures in 1979 are estimated at \$1 million and relate to construction and equipping of new stores, refurbishment of existing locations and the development of a new computer system. We expect to open 8 stores in the current year and close one small outdated location. Two stores have been opened to date, with the remaining six scheduled for the second half of the year. We opened a "Wearhouse" location in Mississauga, Ontario, in February, and a "Pennington's" store in Chicago, Illinois, in early May. A number of additional locations both in Canada and the United States are under active

consideration for opening in 1979 and 1980.

Merchandise Information:

The feasibility study on the proposed computer system to which we made reference in last year's annual report has now been completed. We are now in the final stages of negotiating a contract and expect to have the system in operation within the next twelve months. The system, when fully operational, will be invaluable in our continuing growth by improving merchandising information and other operating efficiencies.

Dividends:

Total dividend payments in 1978 increased from \$929,079 to \$1,357,512. On a per share basis, the annual dividend increased from 22.9 cents to 33.4 cents. Last December your Board of Directors declared a first quarter dividend of 11.877 cents per preference share (at the annual rate of 42.5 cents per share) from December 21, 1978, as well as a dividend of 8 cents per new common share. Both dividends were paid on April 2nd, 1979. Subsequently your Board of Directors, in view of the improvement in the 1978 financial results, declared an increased quarterly dividend of 10 cents per common share, payable July 2nd, 1979 to shareholders of record June 15th, 1979, so that the indicated annual dividend rate is now 40 cents per new common share.



A stylized, handwritten signature in dark ink, reading "Sol Armel".

Sol Armel
Executive Vice-President

Statement of Income

	53 weeks ended February 3, 1979	52 weeks ended January 28, 1978
Sales	\$33,037,255	\$28,804,625
Excess revenue (Note 5)	—	990,000
Adjusted sales	<u>33,037,255</u>	<u>29,794,625</u>
Cost of sales, selling and administrative expense	26,640,127	23,542,851
Depreciation and amortization	<u>549,131</u>	<u>482,535</u>
	<u>27,189,258</u>	<u>24,025,386</u>
Income from operations	5,847,997	5,769,239
Investment income	<u>397,977</u>	<u>222,658</u>
Income before taxes	6,245,974	5,991,897
Income taxes (Note 6)	<u>2,962,000</u>	<u>2,835,000</u>
Net income for the period	<u>\$ 3,283,974</u>	<u>\$ 3,156,897</u>
Earnings per share (Note 7):		
Before adjustment for excess revenue	\$.80	\$.65
Adjustment for excess revenue of \$990,000 less related income tax of \$478,000 (Notes 5 and 6)	—	.13
Net income for the period	<u>\$.80</u>	<u>\$.78</u>

Statement of Retained Earnings

	53 weeks ended February 3, 1979	52 weeks ended January 28, 1978
Retained earnings, beginning of period	\$10,416,728	\$ 8,188,910
Net income for the period	<u>3,283,974</u>	<u>3,156,897</u>
	<u>13,700,702</u>	<u>11,345,807</u>
Less:		
Expenses of capital reorganization less related income tax reduction of \$33,000 (Note 4)	35,253	
15% tax paid on undistributed income	6,316	
Dividends	<u>1,357,512</u>	<u>929,079</u>
	<u>1,399,081</u>	<u>929,079</u>
Retained earnings, end of period	<u>\$12,301,621</u>	<u>\$10,416,728</u>

Balance Sheet

ASSETS

	<u>February 3, 1979</u>	<u>January 28, 1978</u>
Current:		
Cash and short-term investments (Note 2)	\$ 5,424,790	\$ 5,318,042
Inventories	6,155,948	5,983,262
Prepaid expenses and sundry assets	<u>688,041</u>	<u>298,794</u>
	12,268,779	11,600,098
 Fixed assets, less accumulated depreciation (Note 3)	 3,578,289	 3,517,938
 Excess of cost over book value of businesses acquired	 947,089	 947,089
	<u><u>\$16,794,157</u></u>	<u><u>\$16,065,125</u></u>

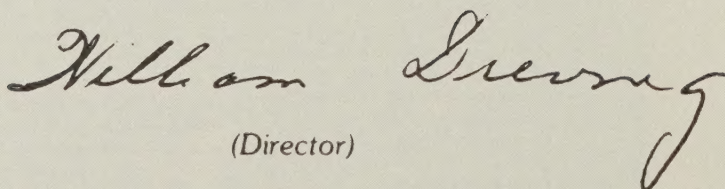
LIABILITIES

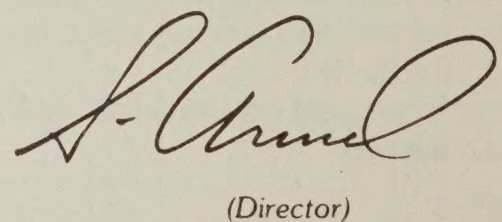
Current		
Accounts payable and accrued liabilities	\$ 2,219,504	\$ 1,880,004
Income taxes payable	492,147	2,163,300
Deferred income taxes	<u>181,375</u>	<u>—</u>
	2,893,026	4,043,304
 Deferred income taxes	 <u>172,197</u>	 <u>202,530</u>

SHAREHOLDERS' EQUITY

Capital stock (Note 4)	1,427,313	1,402,563
Retained earnings	<u>12,301,621</u>	<u>10,416,728</u>
	13,728,934	11,819,291
	<u><u>\$16,794,157</u></u>	<u><u>\$16,065,125</u></u>

On behalf of the board:


(Director)


(Director)

Statement of Changes in Financial Position

	53 weeks ended February 3, 1979	52 weeks ended January 28, 1978
Financial resources were provided by:		
Net income	\$3,283,974	\$3,156,897
Expenses not requiring a current outlay of working capital:		
Depreciation and amortization	549,131	482,535
Non-current deferred income taxes	(30,333)	10,272
Working capital provided by operations	<u>3,802,772</u>	<u>3,649,704</u>
Issue of common stock for cash under employee stock option plan	<u>24,750</u> <u>3,827,522</u>	<u>—</u> <u>3,649,704</u>
Financial resources were used for:		
Purchase of fixed assets (net)	609,482	855,752
15% tax paid on undistributed income	6,316	—
Dividends paid	1,357,512	929,079
Expenses of capital reorganization	35,253	—
	<u>2,008,563</u>	<u>1,784,831</u>
Increase in working capital	1,818,959	1,864,873
Working capital, beginning of period	<u>7,556,794</u>	<u>5,691,921</u>
Working capital, end of period	<u>\$9,375,753</u>	<u>\$7,556,794</u>

Auditors' Report

To the shareholders of
Pennington's Stores Limited

We have examined the balance sheet of Pennington's Stores Limited as at February 3, 1979 and the statements of income, retained earnings and changes in financial position for the 53 weeks then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at February 3, 1979 and the results of its operations and the changes in financial position for the 53 weeks then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Toronto, Ontario
April 12, 1979.

Laventhol & Horwath
Chartered Accountants

Notes to Financial Statements

1. Significant accounting policies:

The accounting policies of the company are in accordance with generally accepted accounting principles and are applied on a consistent basis. The following is a summary of the significant accounting policies followed in the preparation of these financial statements:

(a) Inventories:

Inventories are priced at the lower of average cost and market determined by the retail method with market being net realizable value less normal profit margin.

(b) Fixed assets:

Fixed assets are stated at cost with depreciation being provided at the following annual rates:

Furniture, fixtures and leasehold improvements — 10% straight-line method

Motor vehicles — 30% reducing balance method

Profits or losses arising on the disposal of assets are included in income for the period in which the profit or loss arose. Maintenance and repair expenses are written off in the period in which the expenditure is incurred.

(c) Income taxes:

Income taxes are accounted for on the tax allocation basis. The deferred income taxes on the balance sheet reflect the cumulative effect of timing differences between accounting income and taxable income.

(d) Intangible assets:

In 1969 the company acquired the net assets of a retail business for an amount in excess of its book value. This excess is not being amortized, as in the opinion of management, it has continuing value.

(e) Retirement and death benefit arrangements:

No provision is made for the cost of consultation services to be rendered in future years under the terms of the senior executive consultation agreement referred to in Note 10. The cost of such services will be charged against income in the period when such services are rendered. Provision for the cost to the company of the retirement and death

benefits payable thereunder is being charged to income on a straight-line basis, over the period commencing with the year ended February 3, 1979 to the date when it has been estimated the benefits will become payable based on current salaries.

2. Cash and short-term investments:

Short-term investments mature on or before April 23, 1979.

3. Fixed assets:

	53 weeks ended February 3, 1979	52 weeks ended January 28, 1978
Furniture, fixtures and leasehold improvements	\$6,282,712	\$5,690,230
Motor vehicles	56,567	56,567
	<u>\$6,339,279</u>	<u>\$5,746,797</u>
Less accumulated depreciation	2,760,990	2,228,859
	<u>\$3,578,289</u>	<u>\$3,517,938</u>

4. Capital stock:

(a) Capital reorganization:

On December 21, 1978, the Articles of the Corporation were amended to subdivide and change the 6,000,000 authorized common shares without par value into 12,000,000 common shares without par value and 1,250,000 preference shares without par value. \$1,427,312 of the issued capital attributed to the common shares was transferred to the preference shares.

As a result of this capital reorganization existing shareholders received 8 new common shares and 1 preference share for each 4 common shares previously held. The capital stock of the corporation, as reorganized, is as follows:

Authorized:

1,250,000 Non-voting, cumulative preference shares, without par value which entitle the holder to a fixed annual dividend of 42.5¢ per share payable quarterly.

These shares are redeemable at a minimum rate of 5,000 shares per year at a redemption price of \$5.40 on or before January 1, 1980, reducing by 5¢ per year until January 1, 1987 and thereafter the redemption price remains at \$5 per share.

12,000,000 Common shares, without par value

Issued:

507,875 Preference shares	\$1,427,312
4,063,000 Common shares	1
	<u>\$1,427,313</u>

(b) Stock option plan:

A total of 29,500 common shares were reserved for issue under the employees' stock option plan. Options for 5,000 shares at a price of \$9.90 per share and 5,000 shares at \$12.71 per share expiring May 6, 1981 and December 31, 1983 respectively are outstanding and were granted prior to the capital reorganization. These options, as a result of the capital reorganization, provide that the holder purchase 8 new common shares and 1 preference share for each 4 common shares previously optioned.

During the year, prior to the reorganization of the corporation's capital stock, 2,500 common shares were issued for a cash consideration of \$24,750.

5. Anti-Inflation programme:

The company was subject to the Anti-Inflation Act and was governed by this legislation until October 28, 1978, the end of the third quarter of the current year. The company's ability to increase prices, profit margins, compensation and dividends was restricted during the period the company was subject to this legislation.

During the year ended January 29, 1977, the company exceeded prescribed base period profit margins and revenue resulting therefrom (excess revenue) was deferred to future periods. During the year ended January 28, 1978, the company reduced prices to bring profits within the allowable margins in accordance with a compliance plan filed with the Anti-Inflation Board and, accordingly, the

deferred revenue (excess revenue) was recognized as income in that year. The Anti-Inflation Board has advised the company that, based on the information submitted, it considers the company was in compliance with the Anti-Inflation Act and the regulations thereto.

6. Income taxes:

	53 weeks ended February 3, 1979	52 weeks ended January 28, 1978
Current	\$2,812,958	\$2,346,728
Deferred [Note 1(c)]	<u>151,042</u>	<u>10,272</u>
	\$2,964,000	\$2,357,000
Deferred, relating to deferred revenue [Note 5]	<u>—</u>	<u>478,000</u>
	<u>\$2,964,000</u>	<u>\$2,835,000</u>

7. Earnings per share:

Earnings per common share have been determined based on the re-organized weighted average of 4,062,106 shares outstanding during the year after deducting accrued dividends on preference shares. Had the capital reorganization described in Note 4(a) taken place at the beginning of the prior year and thus the preference shares would have been outstanding for the entire two years, earnings per common share would have been reduced by 5¢ in each year.

8. Long-term leases:

Long-term leases entered into by the company for the rental of store locations and warehouse facilities extend into the year 1998. The company has also entered into lease commitments for six new store locations. The majority of the store leases provide for payment to the lessor of a percentage of sales. Minimum annual rentals payable and estimated percentage rent payable where leases do not provide for minimum rents (exclusive of taxes and other occupancy charges) will aggregate approximately \$2,490,000 for the year ending February 2, 1980.

9. Remuneration of directors and senior officers:

Direct remuneration paid to directors and senior officers of the company during the year amounted to \$349,535 (prior year - \$313,982).

10. Retirement and death benefit arrangements:

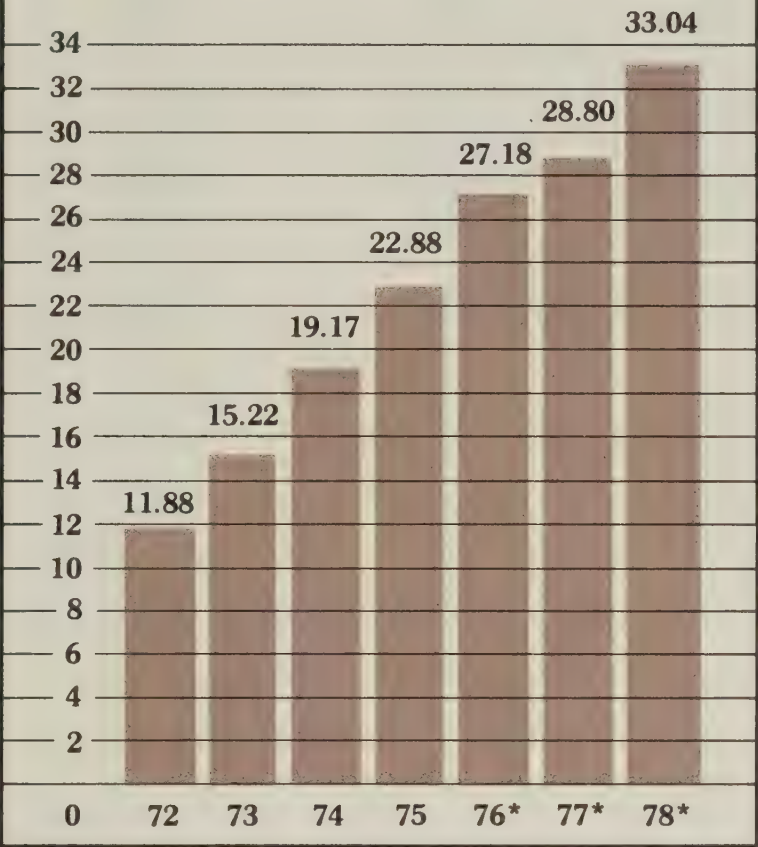
The corporation has entered into arrangements with four of its senior officers that on retirement of each, (but in no event before reaching the age of 65 years), such senior executive will provide consultation services for a maximum of ten years for an annual fee equal to sixty per cent of the average of his three highest years' earnings during the period of his full time employment. Two of these executives are now eligible for retirement, but are full time employees of the company.

In addition, the corporation has also agreed to pay a retirement or death benefit in a lump sum to each such senior executive equal to three times the annual consultation fee as would be calculated as set out above, to be paid on the earliest of death, termination of the consulting arrangement, or upon such senior executive becoming unable to provide further services to the corporation. The total unfunded liability related to these retirement and death benefit arrangements is approximately \$639,000.

In accordance with the accounting policy set out in Note 1(e) \$34,000 has been charged against income during the current year.

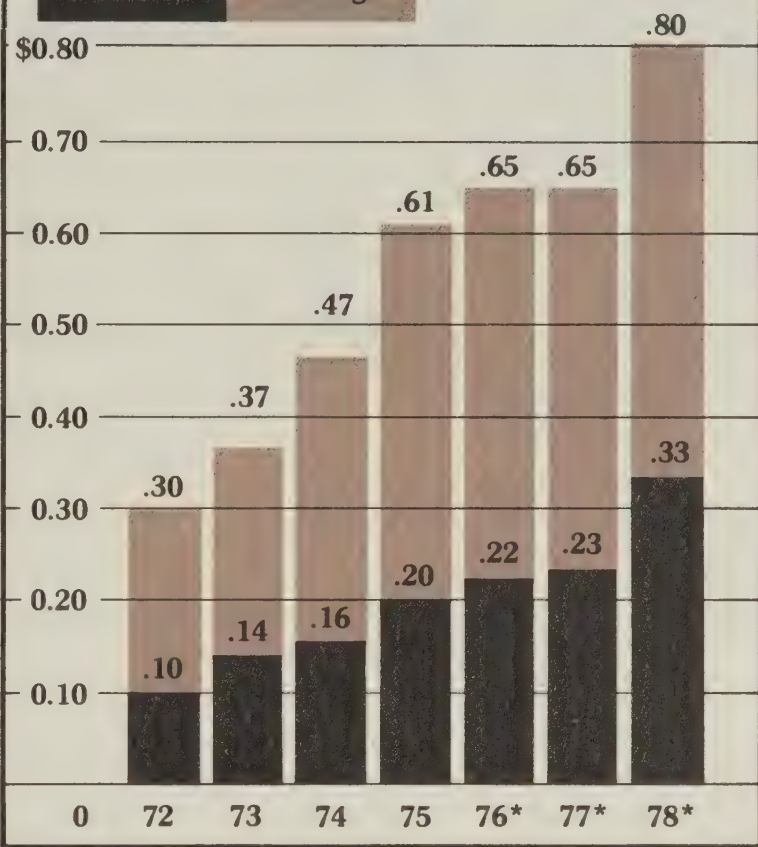
GROWTH OF SALES

in millions of dollars



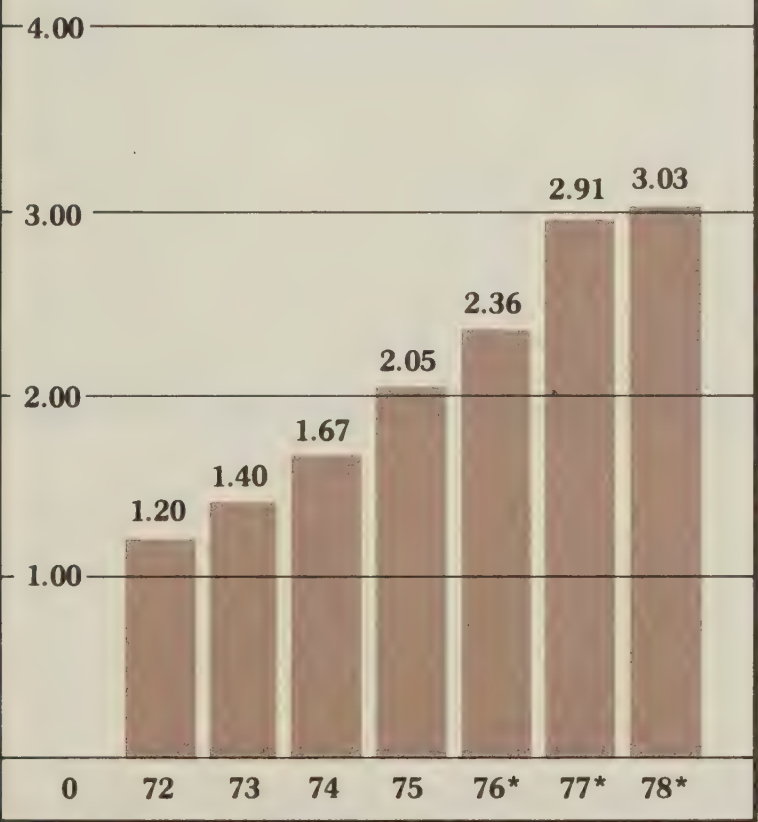
GROWTH OF EARNINGS PER COMMON SHARE

dividends earnings



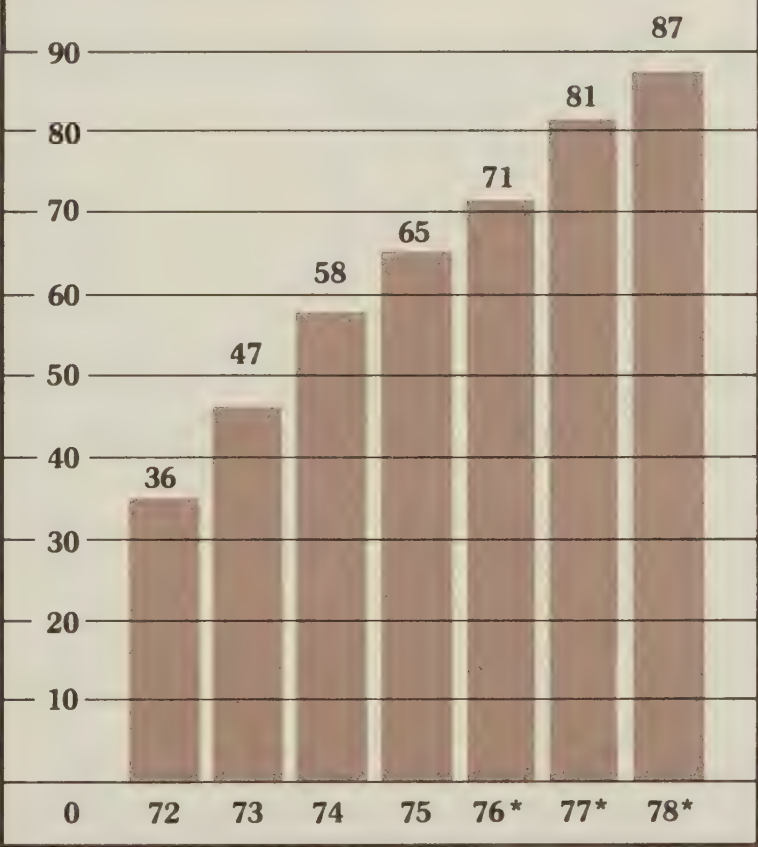
GROWTH IN SHAREHOLDERS' EQUITY

in dollars per common share



GROWTH IN NUMBER OF STORES

units in operation at end of year



*Year ended January following

Financial data for 1976 and 1977 has been adjusted to eliminate the distortions caused by the accounting for excess revenue relating to the application of the Anit-Inflation Act.

Historical Operating Review

YEAR END	FEBRUARY 3rd/79	JANUARY 28th/78	JANUARY 29th/77
NUMBER OF WEEKS	53	52	56
SALES (thousands of dollars)			
1st quarter	\$ 6489	\$ 5779 ⁽¹⁾	\$ 4176
2nd quarter	8341	7057 ⁽¹⁾	6721
3rd quarter	8518	7303 ⁽¹⁾	6093
4th quarter	9689 ⁽²⁾	8666	10187 ⁽¹⁾
TOTAL	\$33037	\$28805	\$27177
NET INCOME (thousands of dollars)			
1st quarter	\$ 450	\$ 386 ⁽¹⁾	\$ 200
2nd quarter	800	696 ⁽¹⁾	675
3rd quarter	914	712 ⁽¹⁾	450
4th quarter	1120 ⁽²⁾	851	1324 ⁽¹⁾
TOTAL	\$ 3284	\$ 2645	\$ 2649
EARNINGS PER SHARE ⁽³⁾			
1st quarter	\$.11	\$.10 ⁽¹⁾	\$.05
2nd quarter	.20	.17 ⁽¹⁾	.16
3rd quarter	.22	.17 ⁽¹⁾	.11
4th quarter	.27 ⁽²⁾	.21	.33 ⁽¹⁾
TOTAL	\$.80	\$.65	\$.65
DIVIDENDS PAID PER SHARE ⁽³⁾	\$.33	\$.23	\$.22
RECORD OF STOCK PRICES ⁽³⁾			
High	\$ 7 ¹ / ₄	\$ 5 ¹ / ₈	5 ¹ / ₂
Low	4 ³ / ₄	3 ⁷ / ₈	3 ³ / ₄
STORES BY REGION			
British Columbia	10	9	9
Alberta	9	8	7
Mid West	7	7	5
Ontario	40	37	33
Quebec	13	12	12
Maritimes	8	8	5
TOTAL	87	81	71

NOTES:

(1) Financial data for 1976 and 1977 has been adjusted to eliminate the distortions caused by the accounting for excess revenue relating to the application of the Anti-Inflation Act.

JANUARY 3rd/76	DECEMBER 28th/74	DECEMBER 29th/73	DECEMBER 30th/72	DECEMBER 31st/71
53	52	52	52	52
\$ 3706 5971 5206 7999 ⁽²⁾	\$ 2880 5042 4451 6796	\$ 2525 4148 3435 5108	\$ 1756 3040 2791 4293	\$ 1532 2536 2059 2928
\$22882	\$19169	\$15216	\$11880	\$ 9055
\$ 180 591 471 1233 ⁽²⁾	\$ 105 518 334 921	\$ 154 419 280 627	\$ 96 317 273 525	\$ 81 242 194 303
\$ 2475	\$ 1878	\$ 1480	\$ 1211	\$ 820
\$.04 .14 .12 .31 ⁽²⁾	\$.03 .13 .08 .23	\$.04 .10 .07 .16	\$.03 .08 .06 .13	\$.02 .06 .05 .08
\$.61	\$.47	\$.37	\$.30	\$.21
\$.20	\$.16	\$.14	\$.10	\$.08
\$ 5½ 2⅝	5¼ 2½	6⅞ 4	6 2⅞	
9 6 5 30 12 3	7 4 4 29 11 3	6 4 3 23 9 2	5 4 3 15 8 1	2 3 3 14 5 1
65	58	47	36	28

(2) 14 week period
(3) Restated as to reflect capital reorganization



Our newest addition and first entry into the United States.

Photos of our store in Northbrook Court Shopping Centre -- Chicago, Illinois





Store Locations

BRITISH COLUMBIA

Seven Oaks shopping Centre, Abbotsford
Brentwood Mall, Burnaby
Orchard Park Shopping Centre, Kelowna
Richmond Centre, Richmond
Surrey Place, Surrey
Guildford Town Centre, Surrey
Pacific Centre, Vancouver
Park Royal Shopping Centre, West Vancouver
Hillside Shopping Centre, Victoria
Pine Centre, Prince George

ALBERTA

Chinook Centre, Calgary
Marlborough Mall, Calgary
Toronto Dominion Square, Calgary
Edmonton Centre, Edmonton
Londonderry Mall, Edmonton
Shopper's Park Westmount, Edmonton
Southgate Shopping Centre, Edmonton
Lethbridge Centre, Lethbridge
Parkland Mall, Red Deer

SASKATCHEWAN

Midtown Plaza, Saskatoon
Northgate Shopping Centre, Regina
Southland Mall, Regina

MANITOBA

Garden City Shopping Centre, West Kildonan
215 McDermott Avenue, Winnipeg
Polo Park Shopping Centre, Winnipeg
Unicity Fashion Square, Winnipeg
Eaton Place, Winnipeg (Opening Fall 1979)
St. Vital Centre, Winnipeg (Opening Fall 1979)

ONTARIO

Georgian Mall, Barrie
Quinte Mall, Belleville
Lynden Park Mall, Brantford
Burlington Mall, Burlington
The Centre, Hamilton
Jackson Square, Hamilton
Wellington Square Shopping Centre, London
Upper Canada Mall, Newmarket
Bayshore Shopping Centre, Ottawa
St. Laurent Shopping Centre, Ottawa
Peterborough Square, Peterborough
Station Mall, Sault Ste. Marie
Eastgate Square Shopping Centre, Stoney Creek
City Centre, Sudbury
New Sudbury Shopping Centre, Sudbury
Market Square, Kitchener
Park Street Plaza, Thunder Bay
Timmins Square, Timmins
Devonshire Mall, Windsor
Tecumseh Mall, Windsor
Niagara Square Shopping Centre, Niagara Falls
240 Sparks St., Ottawa
Conestoga Mall, Waterloo
Oshawa Centre, Oshawa
Cornwall Square, Cornwall (Opening Fall 1979)

TORONTO AREA

151 Bloor St. W., Toronto
Bramalea City Centre, Bramalea
2850 Dundas St. W., Toronto
Eaton Centre, Toronto
Eaton Centre, (Liz Porter), Toronto (opening Fall 1979)
Fairview Mall, Toronto
Gerrard Square, Toronto
3711 Keele Street, Downsview
Lawrence Plaza, Toronto
Rexdale Plaza, Rexdale
Scarborough Town Centre, Scarborough
Sherway Gardens, Etobicoke
Shoppers' World, Danforth, Toronto
Square One Shopping Centre, Mississauga
231 Yonge Street, Toronto
Yorkdale Shopping Centre, Toronto
1911 Eglinton Avenue East, Scarborough
1225 Dundas St. E., Mississauga

QUEBEC

Les Galeries de Hull, Hull
Place Quebec, Quebec City
Carrefour de L'Estrie, Sherbrooke
Place Laurier, Ste. Foy
Centre D'Achat Les Rivières, Trois Rivières

MONTREAL AREA

Alexis Nihon Plaza, Montreal
Centre Laval, Laval
Dorval Gardens Shopping Centre, Dorval
Le Carrefour Laval, Laval
Les Galeries D'Anjou, Ville D'Anjou
Place Vertu, Montreal
Place Ville Marie, Montreal
Les Promenade St. Bruno, Montreal

NEW BRUNSWICK

Regent Mall, Fredericton
Champlain Place, Moncton
Brunswick Square Fashion Centre, Saint John

NOVA SCOTIA

Micmac Mall, Dartmouth
Halifax Shopping Centre, Halifax
Scotia Square Shopping Centre, Halifax

NEWFOUNDLAND

Atlantic Place, St. John's
Avalon Mall, St. John's

UNITED STATES

CHICAGO AREA

Northbrook Court, Northbrook, Illinois

